THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

W.P.No.33412 of 1997

Between:

M/s.Teak Tiles India.

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PETITIONER

AND

The Mandal Revenue Officer,
and others.

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.. RESPONDENTS

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ORDER:

The petitioner is a proprietary concern. It established an industry of manufacturing teak tiles. Teak wood is an important raw material for teak tiles. Since the supply of the same is governed by the provisions of A.P.Forest Act and the Rules made thereunder, the petitioner had to depend upon the Forest Department for supply. On a representation made to the respondents, the petitioner was supplied with teak wood of about 10 cubic meters. The petitioner insisted that teak wood must be supplied on a concessional rate to the extent of 50%. Pending consideration of the representation, the petitioner deposited a sum of Rs.75,000/-. Subsequently, the matter was referred to the Pricing Committee for its decision. The Pricing Committee, in turn, took its decision and the same was communicated to the petitioner. It, ultimately, emerged that by September, 1980, the petitioner is due a sum of Rs.1,02,099.31 ps. The respondents issued proceedings, dated 09-11-1983, requiring the petitioner to furnish the details of the amount due. It was pointed out that a sum of Rs.51,496-52 ps. has accrued as interest and the petitioner had paid a sum of Rs.24,475/- between April and August, 1983, and it was required to pay a sum of Rs.1,29,120/-. On the ground that the amount has not been paid, the respondents initiated proceedings under the Revenue Recovery Act, for recovery of that amount. The same is challenged in this writ petition.

The petitioner contends that the Government supplied the wood to several agencies at concessional rates, whereas the said benefit was not extended to it, and an objection is raised to the very invocation of the

procedure under the Revenue Recovery Act.

The respondents filed a counter affidavit together with copies of the relevant documents. It is stated that the petitioner was supplied teak wood and the fixation of actual price, in the context of a request made by the petitioner, was referred to the Pricing Committee. The respondents alleged that the petitioner on being communicated the actual amount due from it, sought for time and facility of instalments and that the plea taken by it in this writ petition is untenable.

Heard Sri Vedula Venkataramana, learned counsel for the petitioner and learned Government Pleader for Forests.

The petitioner does not dispute that the teak wood was supplied to it and that the price was to be fixed by a Pricing Committee. Pending consideration of the matter by the Pricing Committee, the petitioner deposited some amounts. Ultimately, it emerged that the petitioner is due a sum of Rs.1,02,099-31 ps. The respondents added a sum of Rs.51,496-52 ps. towards interest. It is not known as to whether the interest was levied from the date of supply of the material or the date of communication of the price fixed by the Pricing Committee. This court is of the view that the interest needs to be slashed down in this regard.

From the letter, dated 16-12-1982, addressed by the petitioner itself, it becomes evident that it was informed of the amount due and it made a request to grant instalments, pending consideration of its representation by the Forest Minister. The representation was rejected on 31-01-1983. Ever since then, the petitioner did not pay the amount nor it disputed its liability to pay the amount. Therefore, the steps taken by the respondents to recover the amount may not be found fault with.

Inasmuch as there is uncertainty about the date on which the amount became due, this court is of the view that levy of sum of

Rs.51,496-52 ps., as interest, is not justified. Further, ten years have elapsed from the date of filing of the writ petition.

In the totality of the circumstances, the writ petition is disposed of directing that the petitioner is liable to pay a sum of Rs.1,00,000/- (Rupees one lakh only) and if the same is paid within one month from today, it shall not carry interest. In default, the respondents shall be entitled to recover the amount of Rs.1,00,000/- (Rupees one lakh only) with interest at the rate of 9% per annum from 01-01-1983 till the date of recovery. There shall be no order as to costs.

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21-03-2007

Prv